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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

BACON et. al.  Plaintiffs  vs.  AVIS BUDGET GROUP, INC. et. al.  Defendants	Case No. 2:16-cv-05939-KM-JBC  DOCUMENT ELECTRONICALLY FILED PER PRO SE FILING INSTRUCTIONS  <i>Motion Returnable: November 1, 2021</i>  <b>DECLARATION OF MICHAEL T. PINES IN SUPPORT OF REPLIES TO ALL OPPOSITIONS OF PARTIES TO MOTION TO INTERVENE AND IN SUPPORT OF MOTION FOR SANCTIONS</b>
MICHAEL T. PINES  Plaintiff  vs.  AVIS BUDGET GROUP, INC. et. al.  Defendants	

Michael T. Pines respectfully submits this declaration in support of Reply to Defendant's opposition to Motion to Intervene ("Motion") and in support of sanctions.

Before I get to my story, I want to address several things. The reasonable value of my time, and

Wells Fargo's fraud on the court.

To start with, I tried to communicate with Plaintiff's counsel to see if they would cooperate with me. I was homeless and needed prompt relief from the thousands of dollars Avis had improperly charged my bank account causing it to be overdrawn. If the plaintiffs would not cooperate with my seeking relief in this court it could cause delay. They did not return emails or phone calls and in fact have refused to talk to me to this day.

So, I quickly filed the case in Seattle and the court granted the restraining order.

I recently consulted on a case in Seattle. I was informed the lawyers in the law firm charge \$600 per hour. The firm is, Dickson Frohlich in Seattle. Those lawyers do not have the experience I do. Therefore, I feel my services are worth at least \$600 per hour. I spent over 10 hours preparing oppositions of the parties to intervention in the above matter and request sanctions of \$6000 be awarded to me.

Second, concerning Wells Fargo, it lied repeatedly to the courts in Washington claiming if it did not credit my bank account for disputed charges, it would bear the loss. In the sworn declaration opposing the preliminary injunction its representative stated:

"As a practical matter, when Wells Fargo provides a card holder a credit on a disputed charge, the bank often ends up bearing a loss. If the merchant does not agree to reverse the disputed charges, Wells Fargo is left paying the bill." (Declaration Of Wendy Hernandez In Support Of Wells Fargo's Response To Order To Show Cause).

Counsel for Wells Fargo stated the same thing. I had submitted evidence showing this was false, but the court ignored it. The court's ruling is frankly ridiculous.

Since then, I have obtained additional information about the relationship between Wells Fargo and

“merchants”. Merchants are any business wanting to process debit card charges for customers. Card issuers are also involved. My card issuer was Visa. For the merchant to provide debit card charges through Wells Fargo, it states:

“You must agree to the Wells Fargo Merchant Services Terms and Conditions, Wells Fargo Merchant Services Operating Rules, and each card organization’s rules.”

The Wells Fargo Operating Rules set forth the rules for what they call “Chargebacks”. Wells Fargo’s Operating Rules provide:

#### 14. Chargebacks, Retrievals and Other Debits Chargebacks

**Both the Cardholder and the Card issuing bank have the right to question or dispute a transaction.** If such questions or disputes are not resolved, a Chargeback may occur. **You are responsible for all Chargebacks, our Chargeback fees and related costs arising from your transactions. As a result, we will debit your Settlement Account or settlement funds for the amount of each Chargeback. . . .**

You must not process a Credit transaction once a Chargeback is received, even with Cardholder Authorization, as the Credits may not be recoverable and you may be financially responsible for the Credit as well as the Chargeback. Instead, the Card issuing bank will Credit the Cardholder’s account. . . .

#### Chargeback process

If the Card issuing bank submits a Chargeback, we will send you a Chargeback notification, which may also include a Transaction Documentation Request. Due to the short time requirements imposed by the Card Organizations, it is important that you respond to a Chargeback notification and Transaction Documentation Request within the time frame set out in the notification.

Upon receipt of a Transaction Documentation Request, you must immediately retrieve the requested Sales

Draft(s) using the following guidelines:

- make a legible copy, centered on 8-1/2 x 11-inch paper (only one Sales Draft per page);
- write the case number from the Transaction Documentation Request on each copy/page;
- if applicable, make copies of a hotel folio, car rental agreement, mail/phone/internet order form, or other form of receipt;
- if a Credit transaction has been processed, make a copy of the Credit Draft;

- letters are not acceptable substitutes for Sales Drafts;
- submit legible copies of the Sales Drafts and Credit Drafts to Processor's electronic chargeback or dispute

management system; you may also fax or mail legible copies to Processor, but you may incur additional fees

for each response submitted; and

- if you fax your response, please (a) set your fax machine to print your fax number and name on the documents that you send, and (b) set the scan resolution on your fax machine to the highest setting. We can use this information to help determine where the documentation received originated from if additional research is required, and the higher resolution setting improves the clarity of characters and graphics on the documentation transmitted and helps reduce the number of illegible fulfillments and Chargebacks.

We strongly recommend that you also include a detailed rebuttal letter along with all pertinent documents when responding to a transaction request or Chargeback notification (for example, rental agreement, imprinted portion of the invoice or Sales Draft; the portion signed by the Cardholder; and the area where the Authorization Approval Codes, with amounts and dates, are located).

**If the information you provide is both timely and, *in our sole discretion*, sufficient to warrant a re-presentment of the transaction or reversal of the Chargeback, we will do so on your behalf.** However, a re-presentment or reversal is ultimately contingent upon the Card issuing bank and/or Cardholder accepting the transaction under applicable Card Organization Rules.

Re-presentment or reversal is not a guarantee that the Chargeback has been resolved in your favor.

If we do not receive a clear, legible and complete copy of the transaction documentation within the timeframe specified on the request, you may be subject to a Chargeback for "non-receipt" for which there is no recourse.

If you do not dispute the Chargeback within the applicable time limits as set by the Card Organization Rules, you will forfeit your reversal rights. Our only alternative, which is available for Visa and Mastercard only, is to attempt a good faith collection from the Card issuing bank on your behalf for non-fraud Chargeback reason codes. This process can take up to six months and must meet the Card issuing bank's criteria (for example, at or above a set dollar amount). Good faith collection attempts are not a guarantee that any funds will be collected on your behalf. Card issuing banks normally charge good faith collection fees, which are deducted from the transaction amount if accepted in addition to any processing fees that are charged by us.

The Card issuing bank may charge a handling fee which will be debited from your Settlement Account or settlement funds . . .

Visa: If we reverse the Chargeback and re-present the transaction to the Card issuing bank, the Card issuing bank, at its sole discretion, may elect to submit the matter for arbitration before Visa. Visa currently charges a \$250 filing fee and a \$250 review fee. Whether or not a decision is made in your favor, you will be responsible for all such fees and charges and any other applicable fees

and charges imposed by Visa. Such fees and charges will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

(Emphasis added).

I am informed and believe that Wells Fargo does not have any documentation from merchants regarding the charges I disputed and if they do, they have concealed it.

The Wells Fargo Terms of Service provides:

#### **4. Chargebacks**

**4.1 Merchant has full liability and responsibility for all Chargebacks and any and all fees, charges, fines, penalties, and liability assessments related thereto.** Some of the most common reasons for a Chargeback are (i) the Charge Record was prepared incorrectly or fraudulently (ii) Merchant did not obtain proper authorization, or did not provide a correct and legible authorization code on the Charge Record, (iii) the Cardholder disputes participating in or approving the Transaction, (iv) the Cardholder alleges that return of goods was improperly refused or that a refund was not processed for the Cardholder, (v) the Cardholder has asserted what the Cardholder believes is a good faith claim or defense against the Transaction, or (vi) the Card was not actually presented at the time of the Transaction and the Cardholder denies making the purchase.

(<https://www.merchante.com/terms-and-conditions/wellsfargo>)

As far as dealing with the cardholder, Wells Fargo states:

“Within 10 business days, your claim will be resolved or your account will receive a temporary credit if additional investigation is needed. We will also reverse related fees and adjust interest as applicable, if temporary credit is issued or upon the resolution of your claim.”

As set forth in the proposed Complaint in Intervention, Wells Fargo must comply with the The Electronic Fund Transfer Act (EFTA) (15 USC 1693 et seq.) which it's employees admitted to me are routinely violated. This is not surprising given Wells Fargo's long history of violating the law as described in the Reply.

As far as my background and the mention that I was disbarred, I was a California lawyer beginning in 1977. Among other things I represented the Plaintiff in the case of Barrington v. A. H. Robins Co. (1985) 39 Cal.3d 146, that went before the California Supreme Court. This was a case of first impression and Pines made new law related to the “relation back doctrine”.

I represented clients during the Savings and Loan crisis in the 1980's and learned about the wrongful conduct of the big financial institutions and the 2008 financial crisis was basically the same as what they did in the Savings and Loan crisis. I have had an interest in this area of the law ever since.

I was considered an expert in the bad conduct of the banks that became well known as a result of the 2008 financial and foreclosure crisis. I had retired from law and became a real estate investor. I was a licensed real estate broker in California and Utah but I'm no longer licensed in any state for anything. I was first interviewed by the Los Angeles Times in about 2009 asking my opinion about the crisis.

Eventually, I started teaching continuing education for attorneys and the first seminar I gave was sponsored by the San Diego County Bar and over 200 people showed up.

I won the first wrongful foreclosure case I handled for the Quintero Family Trust in San Diego federal court. The court issued a preliminary injunction stopping the foreclosure and did not require a bond which is unusual. The court critisized the attorneys for the banks.

One of the most common reasons state bars discipline lawyers is because they handle wrongful foreclosure cases. Virtually every well known expert has been attacked by state bars. During the crisis, the California Bar disbarred and/or criminally prosecuted 396 lawyers claiming they provided useless foreclosure defense services. The truth was they were providing desperately needed legal services to home owner victims of illegal foreclosure. But, the government supports the Banks in stealing people's homes because they feel they have to or the financial system is at risk of collapsing.

I exposed a lot of bad acts by very powerful people including the federal government, the California State Bar, and Kamala Harris along with the "Too big To Fail Banks." They disbarred me, sent me to jail, then prison and mental hospitals. This was all based on completely false allegations which I

have documented carefully in a document that is over 50 pages.

Besides going after the Banks and being a harsh critic of the Feds for not letting them fail, I discovered the State Bar was helping the banks. They were prosecuting as many consumer lawyers offering services to homeowners as they could and criticized them.

One of those cases is still pending to be heard before the Ninth Circuit Court of Appeals and I hope to appear. Kassas v. State Bar (In re Kassas), Case No.: 2:19-bk-24457-ER (Bankr. C.D. Cal. Jun. 14, 2021).

Everyone thought the Banks might have a shred of decency and do loan modifications. The government claims it wants homeowners to obtain loan modifications to stay in their home if possible.

So many lawyers and thousands of real estate professionals started loan modification specialties as lawyers or loan modification companies and all asked for some up-front retainer from some already financially stressed person for services to be provided.

The Banks rarely did loan modifications because it has been proven they make more money by foreclosing.

So, since there were no loan modifications, all those hundreds of thousands of people who gave lawyers the last of their life savings to try to get a loan modification of course complained about the lawyers and loan modification companies.

Instead of Kamala Harris explaining it was the bank's fault, she went around disbarring and arresting many lawyers and loan modification company executives.

There was even a law passed in California that it was illegal to charge up-front fees to try to get

someone a loan modification. Since then, there have been other state and federal laws stating the same thing.

She did this obviously to try to get the votes of all those moms and pops while actually harming them by helping the banks who were foreclosing on them.

From February 2009 to December 2012, the California State Bar processed roughly 12,000 complaints against lawyers who allegedly sold clients worthless foreclosure relief services. Of those, 396 cases resulted in disbarments.

To say this put a damper on consumer lawyers wanting to represent homeowners is an understatement.

I did everything I could not only in the press but in the continuing education courses I taught for lawyers what the truth was. I advised lawyers to never mention the words loan modification until they had a verdict which was extremely rare and then try to demand payment of at least something towards their fees in addition to the loan modification as a post judgement settlement.

The turning point for me personally was when Dylan Ratigan on MSNBC interviewed me and the Earl family. They were wonderful people who fostered 10 or so homeless disabled children at a time.

Somehow, they scraped together over \$100,000 to catch up on their mortgage over about a six month period. They thought they were caught up and asked the bank for an accounting and to confirm they were current.

The bank responded by foreclosing with documents that were obviously phony, what became known as “robo-signed” documents. I represented them in their federal court lawsuit and at their eviction

trial. You are entitled to a jury in an eviction action in California. I filed a jury demand.

On the day of trial, I politely asked the judge what his procedure was in his court for picking a jury. He literally laughed and said I couldn't have one. He then asked what I wanted to do. I offered into evidence the organized documents showing the Earls were current on their loan.

Of course, the judge didn't read anything and said he would give me 15 more minutes to complete my trial presentation.

I talked as fast as I could but it was hopeless. So the eviction was ordered.

The story on Dylan's show got traction and I was quoted and what I said was commented on by every media outlet in the world which led to my giving interviews to the press as far away as Ireland.

The Banks, federal and state governments, State Bar, and Kamala Harris had enough of me and it was shortly after the interview on MSNBC, that actions were taken against me that led to my being disbarred, jailed, sent to prison, and mental institutions. They sent me to mental institutions to try to discredit me and to hold me there longer than they could in jail.

But before they did that, I represented famous people trying to save their homes from foreclosure.

Michael Winston, Countrywide whistleblower was one. I tried to help Michael shortly after the court of appeal reversed a large jury verdict in his favor. The opinion of the court of appeal made no sense. But Michael's daughter got very ill and he spent full time with her and we lost touch.

Lenny Dykstra the baseball legend was another one. It would take me way too long to tell you the story in detail, but virtually every one of his creditors, especially JP Morgan Chase committed criminal fraud to take everything he owned.

Because of the tens of millions of dollars involved and the notoriety of the case, the most senior partners in the trustee's office and his attorneys and the attorneys for the banks and other lenders were the named lawyers on the masthead of the firms. Every time they opened their mouths they lied. The judge was completely corrupt.

Once again when I tried to get the judge to read the mountains of evidence where former bank employees admitted they were instructed to create phony documents including on Lenny's loans, she responded by saying it was irrelevant and had nothing to do with the bankruptcy and sanctioned me thousands of dollars for wasting the opposing parties time to respond. Lenny believed I did something wrong and fired me and I never got a dime.

Everyone involved was corrupt. For example, the law provides that to be a trustee in a bankruptcy you must not have any conflicts of interest. However, an attorney by the name of Arturo Cisneros was appointed. His firm represented most of the banks and clearly had a conflict.

Lenny bought a mansion in L.A. from Wayne Gretzy. He financed the purchase through J.P. Morgan Chase. The loan was "securitized" and illegal and its claim in bankruptcy against Lenny was criminal bankruptcy fraud. Cisneros represented J.P. Morgan Chase in many cases around the United States and did not disclose this. He helped them steal the mansion.

I filed a 66 page motion to disqualify Cisneros and described the criminal conduct of the bank creditors. The court denied it.

Lenny had assets of over \$50 million. He had filed a Chapter 11. As the Debtor in Possession, he had the right to manage the assets and income and to have money to live. He sold several hundred thousand dollars or personal property that needed to be liquidated and planned to use some of the money

to live.

They accused him of bankruptcy fraud and put him in prison for this. When Lenny pushed back and fought them this ultimately led to him uncovering fraud by all the big name players - JP Morgan, Judge Geraldine Mund, Shulman & Hodges law firm, Arturo Cisneros and his law firm, US Attorney Peter Ross, US Attorney Margaux Ross, and many, many more. Everything is well documented in the bankruptcy court files but there are hundreds of pages and it would take many hours and cost a lot of money to put the whole story together.

Next is Todd Macaluso. I helped him with the Casey Anthony case and was a guest in his home in Rancho Santa Fe when the press came looking for her there. The foreclosure on Todd's house was committed by gross fraud and handled by a big San Diego law firm that itself created fraudulent documents.

The process server in the eviction action "sewer served" by throwing the papers away and Todd never got them and defaulted.

We brought a motion to set aside the default proving Todd could not have been served when the process server said because he was out of the state and his house was gated so there was no way he could have gotten to the door. The judge wouldn't listen or even read the papers

But that wasn't so bad for Todd as I helped him buy an even bigger place around the corner from a Wall Street tycoon who didn't want it anymore and just wanted someone to take over the payments.

Todd was an excellent pilot with his own plane. One of his specialties was flying to the scene of a plane crash and signing people up for lawsuits.

He prided himself on having the cell phone number for many well known lawyers around the country.

It turned out Todd was smuggling cocaine for a drug cartel in South America. He got caught and sent to prison but should be out by now.

Again, everything is well documented in the things I filed in Todd's bankruptcy proceedings and superior court.

Next is Nicholas Marsh. Nick was a real estate developer of multi-million-dollar mansions in Rancho Santa Fe including a very large scale project called The Bridges where he had one of his own homes.

Nick got into a dispute with Lennar Homes and got a one billion dollar judgement entered against him which he clearly should have won.

It turned out Nick's big San Diego law firm used to represent Lennar and didn't disclose it and there was reason to believe that firm was actually helping Lennar.

One of the parties on Nick's side of the lawsuit sued the law firm for the conflict and malpractice and they settled for I think about \$27 million. Paid out of pocket.

Todd and Nick were friends and I helped them get a \$5 million dollar loan from one of those companies that gives money for litigation funding to pursue the malpractice claims for Nick but I don't know what happened.

As an aside, one of Nick's partners was Barry Minkow who committed crimes and went to prison. He claimed to get religion and was a devoted preacher who frequently held public services in Rancho

Santa Fe. His story is quite interesting. Hollywood did a full-length movie about him.

[https://en.wikipedia.org/wiki/Barry\\_Minkow](https://en.wikipedia.org/wiki/Barry_Minkow).

In addition to the Dylan Ratigan story, I liked the interview in the Free Press which did a series of articles about me and the first is below. I also liked the story in the Daily Journal: entitled “Rage Among The Ruins”( <https://www.dailyjournal.com/articles/321796-rage-among-the-ruins>). Here is the first in a series of articles from the San Diego Free Press.

### An Interview with Foreclosure Fighter Michael T. Pines

By Carolyn Zellander / Special to San Diego Free Press

Following is an interview with Michael T. Pines, a Carlsbad attorney who made national headlines for advising clients to “occupy” foreclosed homes. Back in 2011 he was charged with 18

counts of misconduct stemming from his representation of the former owners of three foreclosed homes — in Carlsbad, Newport Beach and Simi Valley. He was released from jail three months ago and will probably be booted out of the legal profession according to a decision by a State Bar Court judge public Thursday. Although he has been scorned by the legal profession, he is a hero to many activists fighting to save homeowners from the perils of the foreclosure crisis.

Gloria Steinem said “The truth will set you free, but first it will piss you off”. Michael T. Pines was one of the first few attorneys with in-depth knowledge of the truth surrounding the near collapse of our economy caused by Wall Street. Michael has been painted (in some circles) as that crazy, foreclosure lawyer who needs to be in a mental institution, or worse, jail,

especially by those in powerful positions. I personally believe Michael T. Pines is a true humanitarian who is now coming into his own. As a student of activism, I am learning that anger is potent, but yes, we have to use it wisely.

If we have (and keep) the moral high ground, it is compelling and people will join, and if we don't we will look like a cranky wing nut. What follows is a quote by Malcolm X and is fitting to describe the space of Michael T. Pines: "Integrity gives deep meaning and moral force to anger. We should never come off as mad-for-the-sake-of- being-mad, but rather reluctantly, genuinely angry in the face of outrageous circumstances". Of course less informed persons would view this as "crazy".

As a member of the San Diego Foreclosure Strategists Group (SDFSG), I first met Michael at a planning meeting on March 1st, 2012. The primary objectives of SDFSG include educating stressed homeowners and finding solutions and/or alternatives to foreclosure. Michael was an invited guest of a planning session for an action directed toward District Attorney Bonnie Dumanis. Several homeowners with documented incidents of fraud, which when presented to the District Attorney's office, had fallen on deaf ears. We did carry out that action at a public function. The action was effective, but Michael paid a price, two days later, he was in jail again. Violation of bail, I believe was the reason given.

I researched and read the colorful, conflicting articles, blogs and other stories on the Internet. I believe he has been googled as much as President Obama and is just as controversial (at least initially). As I read ...I got it! Michael T. Pines is unique in that he has an intelligent grasp on the broken laws, Fraud and the Wall Street players involved in the Financial Rape of our Country. He is equally passionate about getting justice for the countless victims of

this financial terrorism.

Michael Pines being arrested

After three months of incarceration, Michael was recently released from jail. We had posted petitions, wrote letters and called the District Attorney's office pleading for Michael's release. Some were reluctant to sign the petition in light of the negative propaganda; admittedly, no one is perfect or without faults, however there is a preponderance of evidence pointing to the overall good intentions of the man we know as Michael T. Pines.

I asked Michael if he would sit down for a no holds barred interview with me...I wanted to understand what drives this man, who could be enjoying a totally different lifestyle. Also, I wanted him to share what he wants people to know about him and his work. This what happened:

Carolyn: Michael, you have been accused of breaking the law by directing foreclosed owners to re-enter their homes. Dr. Martin Luther King, Jr, said "An individual who breaks a law that his conscience tells him is unjust, and who willingly accepts the penalty of imprisonment, is in reality expressing the highest respect for the law." What are your feelings about this?

Michael: I have never broken the law, it's the law that's broken. Analogy: A client comes to me as an attorney and tells me her car has been stolen and forged documents are going to be used to resell it. As an attorney my advice to her must be to call the police, get a locksmith, and go get the car. It is no different with a house except that the police arrest the true owner because they have been brainwashed by the banks into believing

the homeowners are the criminals for not paying their mortgages. If the client does not try to retake the home while the legal case is pending it will be sold to another innocent victim. When the homeowner eventually wins in court, they will have to evict the new owner and the cycle of fraud continues. There have already been many cases of homeowners winning in court after years of litigation and then having to go back and evict an innocent new homeowner to get their house back. I recall several in the news because it was a military family that bought the house.

Carolyn: I read your law license has been suspended. How do you plan to sustain yourself in the immediate future?

Michael: Three things: 1) Give seminars. I can do this because it is general legal information and not case specific so it is not practicing law. 2) Consult with attorneys on cases as an expert. 3) Work with real estate brokers who want to perform transactions legally. 4) Do as much charitable work in the area of foreclosure fraud as I can.

Carolyn: Michael, you know I am a big fan and want to see you continue this fight for justice, but honestly, after all the arrests, jail time and bad press, what motivates you to continue?

Michael: It is a wonderful thing when you like your work and are doing good. I of course need to make a living and enjoy fighting for justice.

Carolyn: What happened initially? How did you get so emotionally involved as to risk your financial welfare and safety, for others?

Michael: I got so angry and upset at the injustice that I lost some self control. Although

what I did was legal, attorneys should stay in their office and in court. Over 7000 "Occupiers" have been arrested to date. There are thousands of little guys who were in the real estate industry that are being wrongfully prosecuted because of what the "Banksters" did, and are still doing, with the full support of our government.

Carolyn: Michael, I sent you an email in jail stating that I believe you will be vindicated and recognized as the true humanitarian you are. What do you want the history books to reflect about you?

Michael: I am flattered and a little embarrassed at the suggestion that I am important enough for someone to even suggest I might be in the history books. I would like them to say I did what was morally right and legal, but it took a long time for people to realize this and I paid an enormous personal price.

Carolyn: What is the one thing you most want people to understand about you?

Michael: That I would never do anything illegal, unethical, or unjust, and never have.

Carolyn: I understand you cannot and do not provide legal advice in your role as Mortgage/Real Estate Consultant. However, for those wanting to contact you for a consult, I would like to provide an email address for you. Will you provide that?

Michael: Yes. Michaeltpines@gmail.com. However, I only work directly with attorneys. If people don't have an attorney I can refer them to several I work with.

Carolyn Zellander is a Council Organizer for MoveOn.Org, Member of San Diego Foreclosure Strategists Group and Retired IT Professional.

**I, Michael T. Pines declare under penalty of perjury the foregoing is true and correct.**

Dated: October 24, 2021

DocuSigned by:  
  
Michael T. Pines  
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Michael T. Pines